(11)

No. 98-531

IN THE
Supreme Court of the United States
OCTOBER TERM, 1998

FLORIDA PREPAID POSTSECONDARY EDUCATION EXPENSE BOARD,
Petitioner,

v.

COLLEGE SAVINGS BANK and UNITED STATES OF AMERICA,
Respondents.

On Writ of Certiorari to the United States Court of Appeals for the Federal Circuit

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BRIEF OF THE NATIONAL CONFERENCE OF STATE LEGISLATURES, COUNCIL OF STATE GOVERNMENTS, NATIONAL GOVERNORS' ASSOCIATION, NATIONAL ASSOCIATION OF COUNTIES, NATIONAL LEAGUE OF CITIES, INTERNATIONAL CITY/COUNTY MANAGEMENT ASSOCIATION AND U.S. CONFERENCE OF MAYORS AS *AMICI CURIAE* SUPPORTING PETITIONER

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QUESTION PRESENTED

Whether the Patent Remedy Act was passed pursuant to a constitutional provision granting Congress the power to abrogate the States' Eleventh Amendment immunity.

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INTEREST OF THE *AMICI CURIAE*

Amici are organizations whose members include state, county and municipal governments and officials throughout the United States. *Amici* have a compelling interest in legal issues that affect state and local governments.[1]

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[1] Pursuant to Rule 37.3 of the Rules of this Court, the parties have consented to the filing of this brief *amicus*

The Eleventh Amendment is one of the principal constitutional protections of state sovereignty. It confirms that "each State is a sovereign entity in our federal system" and that "'[i]t is inherent in the nature of sovereignty not to be amenable to the suit of an individual without its consent.'" *Seminole Tribe of Florida v. Florida*, 517 U.S. 44, 54 (1996) (citations omitted). As the Court recently held,

> Even when the Constitution vests in Congress complete law-making authority over a particular area, the Eleventh Amendment prevents congressional authorization of suits by private parties against unconsenting States. The Eleventh Amendment restricts the judicial power under Article III, and Article I cannot be used to circumvent the constitutional limitations placed upon federal jurisdiction.

Id. at 72-73 (footnote omitted).

Notwithstanding the clarity of *Seminole Tribe*, the court of appeals ruled that Congress can abrogate the States' Eleventh Amendment immunity when enacting Article I legislation under the Patent Clause. It based its holding on an insupportably broad view of the scope of Congress' enforcement powers under § 5 of the Fourteenth Amendment. The court below disregarded the fundamental feature of § 5—that it is limited to remedying state deprivations of property "without due process of law," U.S. Const. amend.

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curiae. Their letters of consent have been filed with the Clerk of the Court.

Pursuant to Rule 37.6, *amici* state that this brief was not authored in whole or in part by counsel for a party, and no person or entity, other than *amici* or their members, made a monetary contribution to the preparation or submission of this brief.

XIV, § 1—and the fact that Florida provides remedies for damages arising from patent infringement by the State that satisfy due process.

Because of the importance of these issues to *amici* and their members, *amici* submit this brief to assist the Court in its resolution of this case.

SUMMARY OF ARGUMENT

The core inquiry in this case is whether the Patent Remedy Act was passed pursuant to a constitutional provision that grants Congress the power to abrogate the States' Eleventh Amendment immunity. *Seminole Tribe of Florida v. Florida*, 517 U.S. 44, 59 (1996). The answer is negative. Because it is an exercise of Congress' Article I Patent Clause power, the Act cannot abrogate the States' immunity. Moreover, it is not a valid exercise of Congress' power to enforce the Due Process Clause of the Fourteenth Amendment. The judgment of the court of appeals should therefore be reversed.

A. The Patent Remedy Act is a classic exercise of Congress' authority to enact patent legislation under the Patent Clause of Article I. The Act expands the federal remedies available to patentees suing States for patent infringement by providing that "all the remedies can be obtained in such suit that can be obtained in a suit against a private entity." Pub. L. 102-560, preamble. Because Congress enacted the Patent Remedy Act pursuant to an Article I power, it is invalid insofar as it purports to abrogate the States' Eleventh Amendment immunity from suit in federal court. *Seminole Tribe*, 517 U.S. at 72-73.

B. The Act is not a valid exercise of Congress' § 5 powers to enforce the substantive prohibitions of the

Fourteenth Amendment. Congress' authority under § 5 is limited to enacting legislation that "is needed to secure the guarantees of the Fourteenth Amendment." *City of Boerne v. Flores*, 117 S.Ct. 2157, 2172 (1997) (citation and internal quotations omitted). The pertinent substantive provision of the Fourteenth Amendment prohibits state deprivations of property "without due process of law." U.S. Const. amend. XIV, § 1.

In enforcing the Fourteenth Amendment, Congress does not have a general police power to remedy any property deprivations by States, but is limited to remedying deprivations of property without due process. Because Florida law provides adequate damages remedies to persons alleging patent infringement by the State, *see Jacobs Wind Electric Co., Inc. v. Dept. of Transportation*, 626 So.2d 1333, 1337 (Fla. 1993); *see also* Fla. Stat. § 11.065, the Patent Remedy Act exceeds Congress' remedial powers under § 5.

This conclusion is supported by the Court's analysis of the requirements of the Due Process Clause in *Parratt v. Taylor*, 451 U.S. 527 (1981), and related cases. As the Court held in *Parratt*, nothing in the Fourteenth Amendment "protects against all deprivations of life, liberty, or property by the State. The Fourteenth Amendment protects only against deprivations 'without due process of law.'" *Id.* at 537.

The Patent Remedy Act is invalid under § 5 for yet another reason. Section 5 legislation must reflect "a congruence and proportionality between the injury to be prevented or remedied and the means adopted to that end." *City of Boerne*, 117 S.Ct. at 2164. There is no evidence that patent infringement by States or state agencies is a pervasive national problem that requires an intrusive federal remedy under § 5.

On the contrary, as even the House sponsor of the Act acknowledged prior to its enactment, "We do not have any evidence of massive or widespread violations of patent laws by the States." *Patent Remedy Clarification Act: Hearing Before the Subcomm. on Courts, Intellectual Property, and the Administration of Justice of the House Comm. on the Judiciary*, 101st Cong., 2d Sess. 22 (1990) (statement of Rep. Kastenmeier). The legislative history confirms that "states are willing and able to respect patent rights. The fact that there are so few reported cases involving patent infringement claims against states underlines the point." *Id.* at 56 (statement of William S. Thompson, President, American Intellectual Property Law Association).

In upholding the Patent Remedy Act as a valid § 5 enactment, the court of appeals was motivated in part by its view that if remedies under the federal patent laws were not available, patentees would have insufficient protection against infringement by States. But that view disregards the remedies that are in fact available to patentees not only in federal courts, *see Seminole Tribe*, 517 U.S. at 72 n.16 (citing *Ex parte Young*, 209 U.S. 123 (1908)), but in state courts as well.

ARGUMENT

THE PATENT REMEDY ACT WAS NOT PASSED PURSUANT TO A CONSTITUTIONAL PROVISION GRANTING CONGRESS THE POWER TO ABROGATE THE STATES' ELEVENTH AMENDMENT IMMUNITY

In any case in which Congress claims the power to abrogate the States' Eleventh Amendment immunity from suit in federal court, the core inquiry is: "Was

the Act in question passed pursuant to a constitutional provision granting Congress the power to abrogate?" *Seminole Tribe of Florida v. Florida*, 517 U.S. 44, 59 (1996). Contrary to the holding of the court of appeals, that question must be answered in the negative in this case.

The Patent and Plant Variety Protection Remedy Clarification Act, Pub. L. No. 102-560 ("Patent Remedy Act") is a classic exercise of Congress' legislative authority under the Article I Patent Clause. It is not, however, a valid exercise of Congress' power under § 5 of the Fourteenth Amendment. Section 5 authorizes Congress to remedy only state deprivations of property "without due process of law," U.S. Const. amend. XIV, § 1, and Florida provides remedies for damages arising from patent infringement that satisfy due process. *See Jacobs Wind Electric Co., Inc. v. Dept. of Transportation*, 626 So.2d 1333, 1337 (Fla. 1993); *see also* Fla. Stat. § 11.065. The judgment of the court of appeals should therefore be reversed.

A. The Patent Remedy Act Is Garden Variety Patent Clause Legislation, And The Patent Clause Does Not Empowers Congress To Abrogate State Immunity

"Under our Constitution, the Federal Government is one of enumerated powers" that are both " 'defined and limited.' " *City of Boerne v. Flores*, 117 S.Ct. 2157, 2162 (1997) (quoting *Marbury v. Madison*, 1 Cranch 137, 176 (1803)). *See also United States v. Lopez*, 514 U.S. 549, 552 (1995) (" '[T]he powers delegated by the . . . Constitution to the federal government are few and defined. Those which are to remain in the State governments are numerous and indefinite.' ") (quoting The Federalist No. 45, 292-93 (James Madison) (C. Rossiter ed. 1961)).

Congress' power to enact patent legislation is set forth in the Patent Clause, U.S. Const. art. I, § 8, cl. 8, one of the most precisely enumerated legislative powers of the Federal Government. "[T]he federal patent power stems from a specific constitutional provision which authorizes the Congress 'To promote the Progress of . . . useful Arts, by securing for limited Times to . . . Inventors the exclusive Right to their . . . Discoveries.' " *Graham v. John Deere Co. of Kansas City*, 383 U.S. 1, 5 (1966) (quoting U.S. Const. art. I, § 8, cl. 8). As this Court more recently reaffirmed,

> The Patent Clause . . . reflects a balance between the need to encourage innovation and the avoidance of monopolies which stifle competition without any concomitant advance in the "Progress of Science and useful Arts." As we have noted in the past, the Clause contains both a grant of power and certain limitations upon the exercise of that power.

Bonito Boats, Inc. v. Thunder Craft Boats, Inc., 489 U.S. 141, 146 (1989).

The federal patent power is, of course, not self-executing; "[p]atent rights exist only by virtue of statute." *Sears, Roebuck & Co. v. Stiffel Co.*, 376 U.S. 225, 229 & n.5 (1964) (citing *Wheaton v. Peters*, 8 Pet. 591, 658 (1834)). The Patent Remedy Act is simply one more in a long line of Patent Clause enactments stretching back to the opening days of the republic. Indeed, "[s]oon after the adoption of the Constitution, the First Congress enacted the Patent Act of 1790." *Bonito Boats*, 489 U.S. at 146. The legislative history of the Patent Remedy Act itself forcefully makes the point that when Congress enacts

patent legislation, it is acting pursuant to power conferred by the Patent Clause:

> Congress has explicit authority under Article 1, section 8, clause 8 of the U.S. Constitution to promote the progress of science and the useful arts by granting inventors exclusive rights to their inventions. Pursuant to this authority, Congress enacted a patent statute in 1790, and has significantly revised that law three times —in 1793, 1836 and most recently in 1952. The Patent Act sets forth the requirements that must be met for the issuance of a patent, and the rights of the patent holder to protect against infringement, including the right to seek a remedy in Federal court.

H.R. Rep. No. 960, 101st Cong., 2d Sess. 34 (1990) (footnote omitted).

Like much earlier Patent Clause legislation, the Patent Remedy Act provides remedies for patentees. As its preamble states, the purpose of the Act is to "clarify" that States and state officials "are subject to suit in Federal court by any person for infringement of patents" and that "all the remedies can be obtained in such suit that can be obtained in a suit against a private entity." Pub. L. No. 102-560, preamble. Section 2 adds a new subsection to § 271 of Title 35 which provides that States and state officials "shall be subject to the provisions of this title in the same manner and to the same extent as any nongovernmental entity." P.L. 102-560, sec. 2, codified at 35 U.S.C. § 271(h). Section 2 further provides that, in a patent infringement action against States and state officials, Eleventh Amendment immunity shall not be available and that "remedies (including remedies both at law and in equity) are available

for the violation to the same extent as such remedies are available for such a violation in a suit against any private entity," including "damages, interest, costs, . . . treble damages, [and] attorney fees." *Id.*, codified at 35 U.S.C. § 296.

The Patent Remedy Act—which simply expands the federal remedies available for persons suing States for patent infringement by providing that "all the remedies can be obtained in such suit that can be obtained in a suit against a private entity," Pub. L. 102-560, preamble—is thus garden variety Patent Clause legislation. *See* S. Rep. No. 280, 102d Cong., 2d Sess. 7-8 (1992), *reprinted in* 1992 U.S.C.C.A.N. 3087, 3093-94; H.R. Rep. No. 960 at 34. Because the Act merely enhances the remedies available for substantive rights created by other patent statutes, it is authorized by the same constitutional grant of authority as those other statutes—the Patent Clause. And because the Patent Remedy Act was enacted pursuant to this Article I power, it is invalid to the extent it purports to abrogate the States' Eleventh Amendment immunity from suit in federal court. *Seminole Tribe*, 517 U.S. at 72-73.[2]

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[2] As the Court's treatment of *Pennsylvania v. Union Gas Co.*, 491 U.S. 1 (1989), in *Seminole Tribe* suggests, simply because an Article I enactment creates a monetary remedy against States does not mean that the statute protects "property" under the Fourteenth Amendment. This point has repeatedly been made by the courts of appeals in post-*Seminole* decisions.

"If a state's conduct impacting on a business always implicated the Fourteenth Amendment, Congress would have almost unrestricted power to subject states to suit through the exercise of its abrogation power." *College Savings Bank v. Florida Prepaid Postsecondary Education Expense Board,*

The reasoning of the Court in *Seminole* as to the invalidity of Congress' attempted abrogation in CERCLA and the Indian Gaming Regulatory Act is fully applicable to the abrogation attempted by Congress in the Patent Remedy Act:

> Even when the Constitution vests in Congress complete law-making authority over a particular area, the Eleventh Amendment prevents congressional authorization of suits by private parties against unconsenting States. The Eleventh Amendment restricts the judicial power under Article III, and Article I cannot be used to circumvent the constitutional limitations placed upon federal jurisdiction.

517 U.S. at 72-73 (footnote omitted).[3] The Patent Remedy Act, an Article I enactment, is invalid insofar as it seeks to abrogate the States' Eleventh Amendment immunity.

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131 F.3d 353, 361 (3d Cir. 1997), *cert. granted*, 67 U.S.L.W. 3433 (U.S. Jan 8, 1999) (No. 98-149). *See also In re Creative Goldsmiths of Washington, D.C., Inc.*, 119 F.3d 1140, 1146-47 (4th Cir. 1997) ("If the Fourteenth Amendment is held to apply so broadly as to justify Congress' enactment of the Bankruptcy Code as a requirement of due process, then the same argument would justify every federal enforcement scheme as a requirement of due process under the Fourteenth Amendment."), *cert. denied*, 118 S.Ct. 1517 (1998); *In re Sacred Heart Hospital of Norristown*, 133 F.3d 237, 243 (3d Cir. 1998) ("[T]here is simply no principled basis to distinguish the Bankruptcy Clause from other Article I clauses.").

[3] Even Justice Stevens' dissent in *Seminole Tribe* presumes that a patent statute which creates remedies against States is Article I legislation that is proscribed by the Court's holding in that case. *See Seminole Tribe*, 517 U.S. at 77 & n.1 (Stevens, J., dissenting).

B. The Patent Remedy Act Is Not Sustainable As An Exercise Of Congress' § 5 Power To Enforce The Substantive Prohibitions Of The Fourteenth Amendment

In addition to relying on its Article I powers to support the enactment of the Patent Remedy Act, the legislative history indicates that Congress invoked its power to enforce § 5 of the Fourteenth Amendment. *See* S. Rep. No. 280 at 7-8, reprinted at 1992 U.S.C.C.A.N. at 3093-94; H.R. Rep. No. 960 at 40. It was on this basis that the court of appeals sustained the Act as a valid abrogation of the States' Eleventh Amendment immunity. *See* Pet. App. 17a-18a (citing *Fitzpatrick v. Bitzer*, 427 U.S. 445, 455-56 (1976)).

It is axiomatic that "[t]he question of the constitutionality of action taken by Congress does not depend on recitals of the power which it undertakes to exercise." *Woods v. Cloyd W. Miller Co.*, 333 U.S. 138, 144 (1948). Under the Court's § 5 jurisprudence, the Patent Remedy Act is not sustainable as an exercise of Congress' § 5 enforcement power.

1. Congress' § 5 Enforcement Power Is Not A General Lawmaking Power But Is An Extraordinary Power Limited To Enforcing The Substantive Prohibitions Of § 1 Of The Fourteenth Amendment

Section 5 is a grant of legislative power that encompasses authority to override the States' Eleventh Amendment immunity. *Seminole Tribe*, 517 U.S. at 59 (citing *Fitzpatrick*, 427 U.S. at 452-56). "It is also true, however, that '[a]s broad as the congressional enforcement power is, it is not unlimited.'" *City of Boerne*, 117 S.Ct. at 2163 (citation omitted).

As the text of § 5 itself makes clear, Congress' authority is limited to "enforc[ing], by appropriate legislation, the provisions of [the Fourteenth Amendment]." U.S. Const. amend. XIV, § 5. Congress' § 5 power is thus not 'plenary but remedial. Congress was granted the power to make the substantive constitutional prohibitions against the States effective." *City of Boerne*, 117 S.Ct. at 2165. Thus, § 5 does not confer upon Congress a general police power. Rather, Congress' authority under § 5 is limited to enacting legislation that "'is *needed to secure the guarantees of the Fourteenth Amendment.*'" *City of Boerne*, 117 S.Ct. at 2172 (quoting *Katzenbach v. Morgan*, 384 U.S. 641, 651 (1966)) (emphasis added).

The Court demonstrated in *City of Boerne* that "[t]he Fourteenth Amendment's history confirms the remedial, rather than substantive, nature of the Enforcement Clause." *Id.* at 2164. An initial draft of the Fourteenth Amendment was rejected because it "gave Congress too much legislative power at the expense of the existing constitutional structure." *Id.* Members of both parties criticized the draft because it "would give Congress a power to intrude into traditional areas of state responsibility, a power inconsistent with the federal design central to the Constitution," by "permit[ting] 'Congress to legislate fully upon all subjects affecting life, liberty, and property,' such that 'there would not be much left for the State Legislatures.'" *Id.* (quoting Cong. Globe, 39th Cong., 1st Sess. 1082 (statement of Sen. Stewart)).

As a result of these concerns, the Fourteenth Amendment limits Congress' legislative power to protecting citizens' constitutional rights "'whenever the

same shall be abridged or denied by the unconstitutional acts of any State.'" *City of Boerne*, 117 S.Ct. at 2165 (quoting Cong. Globe at 2542 (statement of Rep. Bingham)). Congress' Fourteenth Amendment powers "'are only prohibitive, corrective, vetoing, *aimed only at undue process of law.*'" *Id.* (quoting H. Brannon, *The Rights and Privileges Guaranteed by the Fourteenth Amendment to the Constitution of the United States* 387 (1901)) (emphasis added). In short, as this Court made clear in *City of Boerne*, "[r]emedial legislation under § 5 'should be adapted to the mischief and wrong which the [Fourteenth] [A]mendment was intended to provide against.'" *Id.* at 2170 (quoting *Civil Rights Cases*, 109 U.S. 3, 13 (1883)).

2. The Patent Remedy Act Is Not Valid § 5 Enforcement Legislation

It is apparent that the Patent Remedy Act is in no way limited to remedying infringements of the substantive prohibitions of the Fourteenth Amendment. The pertinent prohibition of the Fourteenth Amendment is broad but specific: "nor shall any State deprive any person of . . . property, without due process of law." U.S. Const. amend. XIV, § 1. The constitutional proscription thus is not, as the court of appeals believed, against the deprivation of property, but is against the deprivation of property *without due process of law.* Because Florida law provides adequate damages remedies to persons alleging patent infringement by the State, *see Jacobs Wind Electric Co. v. Dept. of Transportation*, 626 So.2d 1333, 1337 (Fla. 1993); *see also* Fla. Stat. § 11.065, the Patent Remedy Act exceeds Congress' remedial powers under § 5.

This conclusion is supported by the Court's analysis of the requirements of the Due Process Clause in *Parratt v. Taylor*, 451 U.S. 527 (1981) and related cases. In *Parratt* the plaintiff claimed that state officials had negligently deprived him of property without due process of law in violation of the Fourteenth Amendment but did not allege that the State had failed to provide him with adequate process to vindicate his claim.[4] The Court held that the availability of adequate state process was fatal to his prayer for relief under the Fourteenth Amendment. "Nothing in that Amendment," the Court reasoned,

> protects against all deprivations of life, liberty, or property by the State. The Fourteenth Amendment protects only against deprivations "without due process of law." Our inquiry therefore must focus on whether the respondent has suffered a deprivation of property without due process of law. In particular, we must decide whether the tort remedies which the State of Nebraska provides as a means of redress for property deprivations satisfy the requirements of procedural due process.

451 U.S. at 537.

As the Court later explained the holding of *Parratt*, "[i]n procedural due process claims, the deprivation by state action of a constitutionally protected interest in 'life, liberty, or property' is not in itself

[4] The plaintiff in *Parratt* alleged only a negligent deprivation of property. *See* 451 U.S. at 530-31. While deemed sufficient in that case to state a claim for a violation of the Due Process Clause, the Court subsequently held that an allegation of negligence is insufficient to state a claim for relief under the Due Process Clause of the Fourteenth Amendment. *See Daniels v. Williams*, 474 U.S. 327 (1986).

unconstitutional; what is unconstitutional is the deprivation of such an interest *without due process of law*." *Zinermon v. Burch*, 494 U.S. 113, 125-26 (1990) (citing *Parratt*, 451 U.S. at 237; *Carey v. Piphus*, 435 U.S. 247, 259 (1978)). Consequently, "[t]he constitutional violation actionable under § 1983 is not complete when the deprivation occurs; it is not complete unless and until the State fails to provide due process." *Id.* at 126.

In *Parratt* the Court examined the legal remedies available to the plaintiff under Nebraska law and found that they satisfied the requirements of due process. The Court rejected the plaintiff's contention that the State's remedies were somehow insufficient because they did not provide him "with all the relief which may have been available if he could have proceeded under" his asserted federal statutory remedy. *Id.* at 544. Because the state remedies "could have fully compensated the [plaintiff] for the property loss he suffered," the Court held that they were "sufficient to satisfy the requirements of due process." *Id. See also Hudson v. Palmer*, 468 U.S. 517, 533-34 (1984) (extending holding of *Parratt* to intentional deprivations of property that are random and unauthorized). *Cf. Williamson County Reg. Planning Comm'n v. Hamilton Bank*, 473 U.S. 172, 194 (1985) (taking clause of Fifth Amendment "does not proscribe the taking of property; it proscribes taking without just compensation" and is satisfied provided "reasonable, certain and adequate provision" for compensation "exist at the time of the taking") (internal quotation marks and citation omitted).

The remedies available to respondent under Florida law satisfy the requirements of due process and demonstrate that the invocation of a federal statutory

remedy is impermissible.[5] These remedies consist of claims for taking and conversion as set forth in case law, *Jacobs Wind Electric Co.*, 626 So.2d at 1337 (patent holder "may assert takings and conversion claims in state court" against the State); *see also Jacobs Wind Electric Co., Inc. v. Florida Dept. of Transportation*, 919 F.2d 726, 728 (Fed. Cir. 1990), and the statutory remedy of a claims bill "for payment in full" presentable to the Florida Legislature, Fla. Stat. § 11.065; *see Jacobs Wind*, 919 F.2d at 728.[6] Indeed, even the court below acknowledged

[5] In the unlikely event state patent infringement were shown to be something other than random and unauthorized, the equitable relief available under federal law, *see* discussion *infra* at 22, taken together with state takings and conversion remedies, would suffice to satisfy the requirements of due process.

[6] The court of appeals for the Federal Circuit has commented as follows on the remedies available under Florida law to persons seeking relief for patent infringement against the State of Florida:

> [The plaintiff's] contentions that it is left without any remedy in Florida and that a Florida court cannot pass on the validity of a patent are simply wrong. . . . Jacobs could have sought relief in the Florida Legislature through a claims bill, but chose instead to file a patent infringement suit in U.S. district court. Jacobs also may assert a "takings" claim against the state under the Fifth and Fourteenth Amendments.

Jacobs Wind, 919 F.2d at 728 (citing *Ruckelshaus v. Monsanto*, 467 U.S. 986 (1984); *Chew v. State of California*, 893 F.2d 331 (Fed. Cir. 1990)). And, the court added, "although a state court is without power to invalidate an issued patent, there is no limitation on the ability of a state court to decide the question of validity when properly raised in a state court proceeding." *Id.* (citing *Lear v. Adkins*, 395 U.S. 653 (1969)).

that § 11.065 "most likely provides sufficient process to preclude a violation of the Fourteenth Amendment." Pet. App. 14a.

The court of appeals offered two reasons for rejecting the argument that "even if [the State] has deprived College Savings of its property, it has not done so without providing due process." *Id.* at 13a. The first was that "Congress may forbid even state conduct that is not unconstitutional so long as the legislation is aimed at preventing a violation." *Id.* at 14a. While unquestionably correct as an abstract statement of law, *see City of Boerne*, 117 S.Ct. at 2163, this principle does not support a holding that Congress can legislate federal remedies for state deprivations of property even when the State itself provides adequate remedies.

The two cases cited by the court of appeals as instances of the application of this general proposition are Voting Rights Act cases, *see* Pet. App. 14a (citing *South Carolina v. Katzenbach*, 383 U.S. 301 (1966); *Katzenbach v. Morgan*, 384 U.S. 641 (1966)), as are most of the other cases in which the Court has applied this rule. *See City of Boerne*, 117 S.Ct. at 2163 (collecting cases). Both of the cited cases involved state laws and practices that prevented citizens from realizing the protections afforded by the post-Civil War amendments. In other words, the state laws at issue *defeated the purpose* of the protective federal amendments and deprived citizens of their constitutional rights. *See, e.g., South Carolina v. Katzenbach*, 383 U.S. at 309 (Congress was "confronted by an insidious and pervasive evil which had been perpetrated in certain parts of our country through unremitting and ingenious defiance of the Constitution"); *Katzenbach v. Morgan*, 384 U.S. at

652 (Congress had power to invalidate New York's facially constitutional English literacy requirement to protect Spanish-speaking residents "who have been denied the right to vote because of their inability to read and write English").

In this case, by contrast, Florida "has provided respondent with the means by which [it] can receive redress for the [alleged] deprivation." *Parratt*, 451 U.S. at 543. Where the State provides such a remedy, this Court's cases allowing Congress to displace state laws that obviously *infringe* constitutional rights provide no support for intrusive and unnecessary federal legislation.

The court of appeals next reasoned that Congress is not obligated "to overlook the enforcement of federal patent rights on a piecemeal, state-by-state basis. . . . We do not read the precedent to permit abrogation of the state's immunity only in those instances in which a state provides no due process in its own courts to redress the alleged misconduct." Pet. App. 15a. As an initial matter, of course, this view reads the operative provision of the Due Process Clause out of the Fourteenth Amendment.

Moreover, in the area of state taxation this Court's precedents establish that where state remedies are adequate, the Constitution does not require duplicative federal remedies. In these cases the Court has declined to construe § 1983, a remedial statute enacted pursuant to the Fourteenth Amendment, as displacing adequate state remedies. Most recently, in *National Private Truck Council, Inc. v. Oklahoma Tax Comm'n*, 515 U.S. 582 (1995), the Court reaffirmed that

> the States are afforded great flexibility in satisfying the requirements of due process in the field of taxation. As long as state law provides a "'clear and certain remedy,'" the States may determine whether to provide predeprivation process (*e.g.*, an injunction) or instead to afford postdeprivation relief (*e.g.*, a refund).

Id. at 587 (citations omitted). *See also Fair Assessment in Real Estate Ass'n, Inc. v. McNary*, 454 U.S. 100, 116 (1981) ("[T]axpayers must seek protection of their federal rights by state remedies, provided of course that those remedies are plain, adequate, and complete, and may ultimately seek review of the state decisions in this Court.") (footnote omitted). Indeed, the Tax Injunction Act demonstrates that Congress is able to limit federal remedies to cases in which "'a plain, speedy and efficient remedy may [not] be had in the courts of such State.'" *Id.* at 103 (quoting 28 U.S.C. § 1341). Thus, both judicial and legislative precedent refute the view of the court of appeals that Congress either cannot or will not legislate with due regard for adequate state law remedies.

The Patent Remedy Act is invalid under § 5 for yet another reason. Section 5 legislation must reflect "a congruence and proportionality between the injury to be prevented or remedied and the means adopted to that end." *City of Boerne*, 117 S.Ct. at 2164. "The appropriateness of remedial measures must be considered in light of the evil presented." *Id.* at 2169 (citing *South Carolina v. Katzenbach*, 383 U.S. at 308). As the Court explained in upholding the Voting Rights Act as "appropriate" remedial legislation under the Fifteenth Amendment,

> The constitutional propriety of the Voting Rights Act of 1965 must be judged with reference to the historical experience which it reflects. Before enacting the measure, Congress explored

> with great care the problem of racial discrimination in voting. . . . Congress felt itself confronted by an insidious and pervasive evil which had been perpetuated in certain parts of our country through unremitting and ingenious defiance of the Constitution.

South Carolina v. Katzenbach, 383 U.S. at 308-09.

There is no evidence that patent infringement by States or state agencies is an extraordinary national problem that requires an intrusive federal remedy under § 5—indeed, the evidence is quite the contrary. The legislative history of the Patent Remedy Act does suggest that Congress was aware of a few patent infringement actions being brought against States in federal court.[7] There is, however, no indication either

[7] The legislative history confirms the infrequency of patent infringement claims against States. The House Report acknowledges that "many states comply with patent law," but adds that "there are examples of states that have infringed valid patents and refused to compensate patentees." H.R. Rep. No. 960, at 38. Yet neither of the two cases cited to support this latter assertion do so. *See id.* at n.162. One involved an unadjudicated complaint of infringement against the State of Maryland, and the other a dismissal on Eleventh Amendment grounds, *see Chew v. California*, 893 F.2d 331 (Fed. Cir.), *cert. denied*, 498 U.S. 810 (1990).

Testimony before the House Subcommittee emphasized the infrequency with which patent infringement actions are brought against States. As even the bill's sponsor acknowledged, "We do not have any evidence of massive or widespread violations of patent laws by the States." *Patent Remedy Clarification Act: Hearing Before the Subcomm. on Courts, Intellectual Property, and the Administration of Justice of the House Comm. on the Judiciary*, 101st Cong., 2d Sess. 22 (1990) (statement of Rep. Kastenmeier). *See also id.* at 56 (statement of William S. Thompson, President, American Intellectual Property Association) ("[S]tates are

that the problem is a pervasive one, or that Congress considered whether extant state law remedies are adequate to redress such instances of patent infringement as may occur.

Indeed, the case law indicates that the state courts are fully open to damages claims by patentees, treating them as takings claims that the state courts are charged by the Constitution with adjudicating. *See Jacobs Wind*, 626 So.2d at 1337; *Wilcox Industries, Inc. v. State of Ohio*, 607 N.E.2d 514, 516 (Ohio Ct. App. 1992) ("Because the law protects a patent owner from the misappropriation of his patent by a private party, R.C. 2743.02 operates to protect a patent owner from the same misappropriation if committed by the state."); *A.C. Aukerman Co. v. State of Texas*, 902 S.W.2d 576 (Tex. Ct. App. 1995) (state court entertained taking action by patentee against the State, ruling in favor of the State because of patentee's failure to establish that a taking had occurred). *Cf. Williamson County*, 473 U.S. at 195 ("a property owner has not suffered a violation of the Just Com-

willing and able to respect patent rights. The fact that there are so few reported cases involving patent infringement claims against states underlines the point."); *id.* at 32 (statement of Professor Robert Merges) ("states do occasionally find themselves in patent infringement suits").

The Senate Report likewise contains no evidence that unremedied patent infringement by States has become a problem of national import. On the contrary, such evidence as it contains indicates that there is very little patent infringement litigation against States. *See* S. Rep. No. 280 at 17, 1992 U.S.C.C.A.N. at 3100 (increased costs to federal judiciary of allowing patent infringement actions to be brought in federal court "are not likely to be significant"; increased costs to States and local governments from same "unlikely" to be "substantial").

pensation Clause until the owner has unsuccessfully attempted to obtain just compensation through the procedures provided by the State").

In upholding the Patent Remedy Act as a valid § 5 enactment, the court of appeals was motivated in part by its view that if remedies under the federal patent laws were not available, patentees would have insufficient protection against infringement by States. *See* Pet. App. 23a-24a. The court failed to give sufficient weight to the remedies available to patentees alleging patent infringement by States.

"Most notably," as the Court stated in *Seminole Tribe*, "an individual may obtain injunctive relief under *Ex parte Young* in order to remedy a state officer's ongoing violation of federal law." 517 U.S. at 72 n.16 (citing *Ex parte Young*, 209 U.S. 123 (1908)). The court of appeals believed that injunctive relief would be inadequate because "injunctive relief prevents only future infringement, without compensating for past infringement." Pet. App. 23a. *Amici* submit, however, that federal court injunctive relief is—taken together with state law damages remedies—a sufficient federal law remedy given the role of the States as co-sovereigns and the lack of evidence of willful patent infringement by States. *See* H.R. Rep. No. 960 at 39 ("it should be very rare for a court to find . . . the requisite willful infringement on the part of a State or State agency"); *see also* note 7, *supra*.

Second, as indicated above, state courts have proven to be receptive to state law claims filed by patentees seeking relief for patent infringement by States and state agencies. *See Jacobs Wind*, 626 So.2d at 1337; *A. C. Aukerman Co.*, 902 S.W.2d at 578-79; *Wilcox*

Industries, 607 N.E.2d at 516. *See also Jacobs Wind*, 919 F.2d at 728; *Chew*, 893 F.2d at 336 & n.5. As the Federal Circuit noted in *Jacobs Wind*, "[w]hat a patentee may arguably 'lose' through being limited to a 'takings' claim or similar state court proceeding is not the ability to obtain any remedy, but the benefit of provisions in the patent statute . . . relating to enhanced damages and attorney fees." 919 F.2d at 728 n.2. The Federal Circuit further noted that "although a state court is without power to invalidate an issued patent, there is no limitation on the ability of a state court to decide the question of validity when properly raised in a state court proceeding." *Id.* at 728 (citing *Lear v. Adkins*, 395 U.S. 653 (1969)).[8]

Finally, as the record before Congress and the court of appeals demonstrates, while States are not subject to suit for damages in patent infringement actions filed in federal court, the States are—and do consider themselves to be—bound by the federal patent laws. *See* pages 20-21 & n.7, *supra*; *see also* Pet. App. 21a-22a. The paucity of case law involving patent infringement claims against States is the best evidence that the States respect private patents and are not engaged in massive schemes of infringement that demand extraordinary intervention by Congress in the guise of enforcing the protections of the Fourteenth Amendment.

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[8] Although the federal courts nominally have exclusive jurisdiction over patent cases, 28 U.S.C. § 1338(a), in practice many patent-related disputes are heard in the state courts. *See Luckett v. Delpark, Inc.*, 270 U.S. 496, 510-11 (1926); 13B Charles Alan Wright *et al.*, *Federal Practice and Procedure* § 3582 (2d ed. 1984); Ted D. Lee & Ann Livingston, *The Road Less Travelled: State Court Resolution of Patent, Trademark, or Copyright Disputes*, 19 St. Mary's L.J. 703 (1988).

CONCLUSION

The judgment of the court of appeals should be reversed.

Respectfully submitted,

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